final rules section of this Federal Register, the EPA is approving the exemption request as a direct final rule without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this proposed rule, no further activity is contemplated in relation to this proposed rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: To be considered, comments must be received by August 12, 1996.

ADDRESSES: Written comments on this action should be addressed to William Denman at the Environmental Protection Agency, Region 4 Air Programs Branch, 345 Courtland Street, NE, Atlanta, Georgia 30365. Copies of documents relative to this action are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day. Reference file TN167–01–9627. The Region 4 office may have additional background documents not available at the other locations.

Air and Radiation Docket and Information Center (Air Docket 6102), U.S. Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460.

Environmental Protection Agency, Region 4 Air Programs Branch, 345 Courtland Street, NE., Atlanta, Georgia 30365. William Denman, 404/347–3555 extension 4208.

Tennessee Department of Environment and Conservation, Division of Air Pollution Control, L & C Annex, 9th Floor, 401 Church Street, Nashville, Tennessee 37243–1531. 615/532–0554

FOR FURTHER INFORMATION CONTACT: William Denman 404/347–3555 extension 4208.

SUPPLEMENTARY INFORMATION: For additional information see the direct final rule which is published in the rules section of this Federal Register.

Dated: June 18, 1996.

A. Stanley Meiburg,

Acting Regional Administrator.

[FR Doc. 96–17646 Filed 7–10–96; 8:45 am]

BILLING CODE 6560–50–P

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40 CFR Part 79

[FRL–5532–5]

Registration of Fuels and Fuel Additives: Changes in Requirements, and Applicability to Blenders of Deposit Control Gasoline Additives

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: This document proposes several specific changes to regulations requiring the registration and testing of designated motor vehicle fuels and fuel additives (F/FAs) by their manufacturers. The objectives are to reduce the number of respondents, streamline program requirements, further ease small business burdens, and clarify some specific technical provisions in the existing registration regulations. Included in the proposed group of respondents no longer required to be registered as fuel manufacturers are those who solely blend deposit control additives into gasoline.

DATES: Written comments on the issues presented in this document will be accepted until August 12, 1996.

ADDRESSES: Comments should be sent in duplicate to EPA Air Docket Section (LE–131); Attention: Public Docket No. A–90–07; Room M–1500, 401 M Street S.W., Washington, DC 20460; Phone 202–260–7548 or 7549; FAX 202–260–4000. The docket is open for public inspection from 8:00 a.m. until 5:30 p.m., Monday through Friday, except on government holidays. Previous rulemaking documents and other materials related to this proposal are available in the docket. As provided in 40 CFR part 2, a reasonable fee may be charged by EPA for photocopying services.

FOR FURTHER INFORMATION CONTACT: Jim Caldwell (202–233–9303) or Joseph Fernandes (202–233–9016), U.S. EPA, Office of Mobile Sources, Fuels and Energy Division, Mail Code 6406J, 401 M Street SW, Washington, DC 20460.

Electronic copies of this proposed rule, the regulatory text for this proposed rule, and earlier rulemaking documents related to the F/FA Registration Program are available free of charge on EPA's Technology Transfer Network Bulletin Board System (TTNBBS). For specific instructions, contact Joseph Fernandes at the phone number or address above. These documents are also available in the public docket referenced above.

SUPPLEMENTARY INFORMATION:

I. Regulated Entities

Regulated categories and entities potentially affected by this action include:

Category	Examples of regulated entities
Industry	Manufacturers of gasoline and diesel fuel. Manufacturers of additives for gasoline and diesel fuel.

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be regulated by this action. This table lists the types of entities that EPA is now aware could be potentially regulated by this action. Other types of entities not listed in the table could also be regulated. To determine whether your entity would be regulated by this action, you should carefully examine this preamble and the proposed changes to the regulatory text. You should also carefully examine the existing provisions of the registration program at 40 CFR part 79.

II. Introduction

A. Background

The F/FA registration program is authorized by section 211 of the Clean Air Act (CAA) and codified in 40 CFR part 79. In accordance with CAA sections 211(a) and (b)(1), basic registration requirements applicable to gasoline and diesel fuels and their additives were issued in 1975. These regulations require manufacturers to submit information on their F/FA products, such as the commercial identity, chemical composition, purpose-in-use, and range of concentration, in order to have such products registered by the EPA.

Additional registration requirements, implementing sections 211(b)(2) and (e), were proposed in April 1992 and February 1994 (57 FR 13168 and 59 FR 8886, respectively) and were finalized on May 27, 1994 (59 FR 33042, June 27, 1994). The additional regulations require manufacturers, as part of their F/FA registration responsibilities, to conduct tests and submit information on the health effects of their F/FA products. These requirements are organized within three tiers. Tier 1 requires analysis of the combustion and evaporative emissions of F/FAs and a survey of existing scientific information on the public health and welfare effects

of these emissions. To the extent that adequate test data are not already available (as defined in the regulations), Tier 2 requires manufacturers to conduct specified toxicology tests to screen for potential adverse health effects of the F/FA emissions. Under Tier 3, follow-up testing may be required at EPA's discretion to further evaluate concerns identified in the earlier tiers.

The rule also includes several provisions to reduce the information collection and testing burdens. Among these provisions is a voluntary grouping and cost sharing program which allows manufacturers of similar F/FAs to pool their resources and efforts in complying with the requirements. Special provisions for small manufacturers are also included.

In subsequent sections of this notice, EPA proposes several specific changes to the F/FA registration regulations. These proposals would not impact the overall structure nor (with minor exceptions) the scientific requirements of the current program. Rather, EPA is proposing to revise and/or add certain definitions and provisions, with the intended result of decreasing or, in some cases, removing the requirements altogether for many F/FA registration respondents. EPA believes that the proposed changes would significantly reduce the overall burdens of the F/FA registration program without having an appreciable impact on its monitoring, control, and information collection objectives.

B. Public Participation

EPA desires full public participation in arriving at its final decisions and solicits comments focused specifically on the proposals in this notice. Wherever applicable, full supporting data and detailed analysis should be submitted to allow maximum use of the comments. Written materials already submitted in regard to the issues addressed by these proposals will be fully considered by EPA, and need not be resubmitted in response to this notice. At this time, EPA is not seeking comments on issues other than those specifically addressed in this notice, and is under no obligation to respond to any such comments it may receive. EPA is not planning to hold a public hearing on this proposed rule. However, a hearing will be held if requested within 10 days after publication. Requests for a public hearing should be submitted in writing to Joseph Fernandes at the address provided above.

Any proprietary information being submitted for the Agency's consideration should be markedly distinguished from other submittal information and clearly labeled ''Confidential Business Information.'' Proprietary information should be sent directly to the contact persons listed above, and not to the public docket, to ensure that it is not placed in the docket. Information thus labeled and directed shall be covered by a claim of confidentially and will be disclosed by EPA only to the extent allowed and by the procedures set forth in 40 CFR Part 2.

If no claim of confidentiality accompanies a submission when it is received by EPA, it may be made available to the public without further notice to the commenter.

III. Fuel Manufacturer and Additive Definitions

A. Background

Section 211(a) of the Clean Air Act authorizes EPA to designate fuels and fuel additives, and prohibits manufacturers or processors of designated fuels and additives from introducing them into commerce without having them registered. Section 211(b) describes the registration requirement for designated fuels and fuel additives. Pursuant to § 211(b)(1), the manufacturer of any designated fuel or additive must provide EPA with certain identifying information about the fuel or additive to obtain registration. Section 211(b)(2) provides EPA with discretionary authority to require health effects testing information from manufacturers of designated fuels and additives for the purpose of registration.

In the 1977 amendments to the Clean Air Act, Congress included a provision that directed EPA to issue regulations to implement § 211(b)(2). These regulations were issued in May 1994, and included an amendment to EPA's previous definition of fuel manufacturer to include importers. 59 FR 33042 (June 27, 1994). In today's notice, EPA is proposing to amend the definition of fuel manufacturer to exclude parties that add additives in amounts less than 1% by volume of the resulting fuel/additive mixture, and to exclude oxygenate blenders who meet the regulatory definition of a small business. In addition, EPA is proposing to amend the definition of ''additive'' to exclude substances composed solely of carbon and/or hydrogen.

The term ''manufacturer of a fuel or fuel additive'' is used in § 211(a), 211(b), and 211(e), but the Act is silent on the definition of ''manufacturer'' and ''additive.'' Promulgating regulatory definitions of ''fuel manufacturer'' and ''additive'' for purposes of implementing these subsections is within the Agency's discretion to interpret the statute it administers where that statute is silent with respect to a specific issue. See *Chevron U.S.A., Inc.* v. *NRDC*, 467 U.S. 837 (1984). A clear definition of ''fuel manufacturer'' is necessary for EPA to implement its authority effectively under § 211(a), (b), and (e), and to provide certainty as to which parties are subject to statutory requirements that apply to fuel manufacturers. In addition, it is necessary for EPA to define ''additive'' to clarify which products are covered by EPA's regulations under § 211(e) covering registration and health effects testing requirements.

EPA believes it is reasonable and appropriate to define ''fuel manufacturer'' to exclude parties that add additives in amounts less than 1% by volume of the resulting fuel/additive mixture. The health effects information that such parties would be required to submit will also be obtained from the manufacturers of the additive, who would not be exempted under the proposed amendment. Therefore, excluding these parties from the definition of fuel manufacturer would reduce the generation and collection of duplicative information. For similar reasons, EPA also believes it is reasonable and appropriate to define ''fuel manufacturer'' to exclude oxygenate blenders who meet the regulatory definition of a small business. As discussed below, EPA believes that it is reasonable and appropriate to define ''additive'' to exclude substances composed solely of carbon and/or hydrogen.

According to § 79.1, the F/FA registration regulations apply to all manufacturers of designated fuels and fuel additives. Designated F/FAs, specified in §§ 79.30–79.33, are currently limited to motor vehicle gasoline and diesel fuels and to additives intended for use in these fuels. The applicable definition of a ''fuel manufacturer'' is provided in § 79.2(d):

> *Fuel manufacturer* means any person who, for sale or introduction into commerce, produces, manufactures, or imports a fuel or causes or directs the alteration of the chemical composition of, or the mixture of chemical compounds in, a bulk fuel by adding to it an additive.

The comprehensiveness of this definition has led to some redundancy in registration requirements. It has also led to problems and confusion arising from the fact that registration and testing responsibilities are sometimes transitive, i.e., they pass along from one manufacturer to another, generally from

bulk additive manufacturers to their fuel manufacturer customers. A number of manufacturers have contacted EPA about these problems (e.g., see docket items VI–D–01, VI–D–05, VI–D–06, and VI–D–11).

For example, terminal owners and others who buy and blend bulk additives into fuel are, according to the definition cited above, fuel manufacturers.[1] These parties are therefore subject to the product registration and testing responsibilities applicable to fuel manufacturers. Under the current regulations, they are required to register their fuel products, including the identity, purpose, and amount of bulk additive(s) which they blend (or intend to blend) into the fuel. Furthermore, they are responsible for any testing applicable to the resulting fuel/additive mixture, or for participating in one or more testing groups based on the composition of this mixture. In effect, their registration and testing responsibilities, and their grouping and cost-sharing opportunities, are defined by the composition of the bulk additives they mix into fuel, though in many instances they may not even know the actual composition of the additive products they buy and use.

The transitivity of registration and testing requirements from additive manufacturers to their fuel manufacturer customers has caused the number of parties subject to registration requirements to multiply and has led to confusion among the various parties along the F/FA production-blending-distribution chain. It may also have unintended affects on the F/FA commercial marketplace. In some cases, for example, blenders may stop using certain kinds of additives rather than incurring the responsibilities of a fuel manufacturer, or may switch from their traditional suppliers to new suppliers based on the grouping properties (set forth in § 79.56) of the competing additives. A particularly awkward result may occur when the direct manufacturer of an additive is exempt from testing requirements under the program's small business provisions (§ 79.58(d)), but the fuel manufacturers who buy and blend the additive into fuel do not qualify for the exemption and must still test the additive/fuel mixture. To keep their customer base, some small manufacturers of ''atypical'' additives (defined in § 79.56(e)) state that they may find it necessary to waive their small business exemptions and shield their customers from additive testing requirements by fully funding the testing themselves (see, for example, docket item VI–D–06). Clearly, this outcome would undermine the special allowances which EPA intended to grant to small businesses. A revised § 79.58(d)(3) is proposed to remedy this situation, by exempting a fuel manufacturer from Tier 2 requirements for the use of an additive which is exempt from Tier 2.

Another problem associated with the definition of ''fuel manufacturer'' has arisen as a result of a recent change in the definition of ''fuel additive''. The final rule which added health effects testing to the registration requirements for F/FAs (59 FR 33042) also changed the definition of an additive, as specified in § 79.2(e). Previously, substances composed solely of carbon and/or hydrogen had been specifically excluded from the definition of an additive,[2] and thus did not have to be registered. Since these substances were not considered additives, parties which blended them into fuels were not considered fuel manufacturers and were not subject to the F/FA registration requirements on the basis of that blending activity.

Recognizing that all-hydrocarbon substances may have toxic properties, the new rule removed the exclusion of all-hydrocarbon substances from the definition of an additive. At the time, EPA was particularly concerned about potential increased use of benzene and other aromatic hydrocarbon additives. However, the change in the definition of an additive has raised some unintended concerns. Under the new definition, hydrocarbon fuel blending stocks (e.g., kerosene, butane, propane), commonly used on a seasonal basis to change the evaporative or flow properties of conventional fuels, could now be considered as additives. Thus, parties which blend these fuel substances into gasoline or diesel fuel could be considered to fit the definition of ''fuel manufacturer.'' Potentially, hundreds of additional parties could be required to register as F/FA manufacturers, creating a substantial regulatory paperwork burden while providing little incremental information to EPA. This was not EPA's intent. Furthermore, the concern about benzene and other aromatics, which originally motivated EPA to delete the all-hydrocarbon exclusion from the additive definition, has now been largely addressed by the reformulated gasoline/anti-dumping rules and other regulatory mechanisms which limit the aromatic composition of gasoline and diesel fuels. In sum, therefore, the change in the additive definition has created a potentially large number of unintended new ''fuel manufacturer'' respondents among those who add commonplace blending stocks to gasoline and diesel fuels, while achieving little in regard to EPA's original intent.

A substantial number of registrants is composed of persons who fit the definition of ''fuel manufacturer'' because they blend ethanol into gasoline. In the case of oxygenates other than ethanol, the oxygenate is generally added to gasoline at the fuel refinery, before the gasoline is distributed through the pipeline. These ''upstream'' oxygenate blenders tend to be relatively limited in number, and often are large fuel manufacturing businesses. Ethanol, on the other hand, is generally prohibited from transport through the pipeline (pipeline policy, technical reasons), and must be added to the fuel downstream. Thus, rather than being blended by relatively few fuel refiners, ethanol is added to fuel by large numbers of terminal operators, fuel haulers, and some fuel retailers. Many such ethanol blenders qualify as small businesses under the definition in § 79.58(d)(2) and thus are excused from the Tier 1 and Tier 2 health effects testing provisions of the F/FA registration regulations. Nevertheless, as fuel manufacturers, they must still comply with the basic reporting requirements of the F/FA registration program. This combination of circumstances maintains a significant paperwork burden for such respondents, while adding little information to EPA in regard to oxygenated fuels beyond that which is currently available through other program reporting mechanisms.

B. Proposed Changes

EPA proposes to address the problems summarized above by modifying the definitions of ''additive'' and ''fuel manufacturer.'' First, EPA proposes to revise the current definition of an additive (at § 79.2(e)) to exclude substances composed solely of carbon and/or hydrogen, thus reinstating the definition which was in effect prior to the final rule of May 27, 1994. As described previously, this action would provide regulatory relief to perhaps hundreds of companies which are now considered ''fuel manufacturers'' because they add common hydrocarbon

[1] However, independent terminal operators which blend additives into their customers' fuels at the specific direction of such customers are not considered fuel manufacturers. Also, end users, such as fleet owners/operators who blend additives into bulk fuel for their own fleet use, are not considered fuel manufacturers.

[2] The presence of trace contamination with elements other than carbon and hydrogen did not factor into this exclusion.

stocks to finished fuels. It should be noted that persons who blend hydrocarbon stocks together to produce a usable motor vehicle fuel (rather than adding hydrocarbons to a finished fuel) would continue to be considered fuel manufacturers.

Second, EPA proposes to add provisos to the definition of a fuel manufacturer (at § 79.2(d)) such that the addition of a small volume of any additive[3] to fuel would not in itself cause any party to be considered a fuel manufacturer, nor would the addition of an oxygenating additive by a party qualifying for the small business provisions of the registration program. The proposed new definition of a fuel manufacturer is as follows:

Fuel manufacturer means any person who, for sale or introduction into commerce, produces, manufactures, or imports a fuel or causes or directs the alteration of the chemical composition of a bulk fuel, or the mixture of chemical compounds in a bulk fuel, by adding to it an additive, except that (1) a party who adds a quantity of additive(s) amounting to less than 1.0 percent by volume of the resultant additive(s)/fuel mixture is not thereby considered a fuel manufacturer, and (2) a party who qualifies as a small business under the criteria in § 79.58(d)(2) of this subpart, and who adds an oxygenate compound(s) to fuel is not thereby considered a fuel manufacturer.

This proposed definition would significantly reduce the number of F/FA registration respondents and would address the problems described above that result from the ''transitivity'' of registration and testing requirements under the current regulations. Under this definition, the addition of most ''baseline'' and ''atypical'' additives at ordinary treatment rates would not cause the blending party to be a fuel manufacturer because such additives are added in amounts less than 1% of the resultant mixture. In the general case, parties which add oxygenates to fuel, in an amount sufficient to produce a fuel mixture categorized as non-baseline,[4] would still be considered fuel manufacturers. EPA believes this to be appropriate because the relatively large added volumes can cause substantive changes in the basic characteristics, emission properties, and toxic potential of the fuel. However, to reduce the number of respondents required only to submit redundant registration paperwork, the proposed definition of a fuel manufacturer excludes oxygenate blenders who qualify for the small business provisions of the registration program (chiefly, small ethanol blenders).

For convenience, it is proposed that the definition of ''oxygenate compound'' at 40 CFR 79.50 also be incorporated at 40 CFR 79.2(k). EPA requests comments on the proposed changes to the definitions of ''additive'' and ''fuel manufacturer.''

C. Relationship to the Gasoline Detergent Additive Program

An interface exists between the F/FA registration program and the detergent additive program.[5] In order to avoid duplicate reporting requirements, the detergent additive program interim regulations in 40 CFR Part 80 make use of the existing F/FA registration system as the mechanism for collecting much of the information required of detergent additive blenders. However, if the definition of a fuel manufacturer is changed as proposed above, then detergent additive blenders would no longer be considered fuel manufacturers and would no longer be required to register under the F/FA registration program. Thus, the source of information on which EPA relies for the interim detergent additive program would no longer be available. However, as will be discussed in the upcoming final detergent rule, EPA has concluded that this information is no longer necessary. Therefore, there would be no adverse effect on the detergent additive program.

IV. Small Business Definition

In the F/FA registration program, qualification for special small business provisions is based in part on total annual sales revenue, specifically, a $50 million limit for manufacturers of baseline and non-baseline F/FAs, and a $10 million limit for manufacturers of atypical F/FAs (see §§ 79.58(d) (2) and (3), respectively). Communications from trade organizations which represent fuel retailers (docket item VI–D–05) suggest that these total sales criteria should be revised to take tax effects into account. These organizations point out that sales and excise taxes accumulate as the fuel passes along the refining-distribution-marketing chain, but are generally not included in the price paid for the fuel (nor in the gross sales revenue of the seller) until the fuel is marketed at the retail level. In some instances, the accumulated sales and excise taxes on fuel, including applicable taxes at the local, state, and federal levels, may exceed 40 percent of the price paid by consumers, and thus represents a comparable portion of the retailer's fuel-related sales revenues. The commenters argue that, since these tax effects are not reflected in the small business definition, small marketers are disadvantaged in comparison with small refiners and other upstream businesses.

EPA agrees and proposes that the term ''total annual sales'' at § 79.58(d) be modified by adding the following: ''excluding any revenue which represents the collection of federal, state and/or local excise taxes and/or sales taxes''. A revised § 79.59(b)(5)(ii) is proposed to require the submittal, at EPA's request, of applicable bills of lading or other valid documentation to support the legitimacy of any fuel sales amounts excluded as taxes. Comments are requested concerning these proposed revisions.

V. Biodiesel Provisions

Biodiesel fuels and most blends of bio- and conventional diesel fuel contain more than 1.0 weight percent oxygen and thus, according to § 79.56(e)(3)(ii)(B), fall into the non-baseline diesel category. Furthermore, under § 79.56(e)(4)(ii)(B)(2), biodiesel fuels derived from vegetable oil (''mixed alkyl esters of plant origin'') are grouped separately from biodiesel fuels derived from animal fat (''mixed alkyl esters of animal origin'').

EPA established these two separate biodiesel groups because of concern that the composition of animal-derived and vegetable derived fuels might differ considerably, and thus might demonstrate different toxicologic properties. Both vegetable oil and animal fat are composed of triglycerides, and the esterification process used to convert the triglycerides to fuel (i.e., methyl esters) is the same for both. However, up to 3.0 percent of the resulting chemical mixture is composed of nonesterified reactants, other reaction products, and possible contaminants, and EPA has been concerned that these could vary significantly between the different feedstocks.

In subsequent communications with EPA (docket item VI–E–01), representatives of the industry have asserted that the composition of biodiesel fuels of animal and plant origin have similar physical properties. As a result of their arguments, EPA is

[3] Of course, the additive itself must still be registered.

[4] As specified in § 79.56(e)(3)(I) and (ii), non-baseline F/FAs contain (among other criteria) no elements in addition to carbon, hydrogen, oxygen, nitrogen, and sulfur, and, in the case of gasoline F/FAs, contain 1.5 percent or more oxygen by weight, and, in the case of diesel F/FAs, contain 1.0 percent or more oxygen by weight.

[5] Regulation of Fuels and Fuel Additives: Standards for Deposit Control Gasoline Additives. Proposed Rule: 59 FR 64213, Dec. 6, 1993. Interim Program Final Rule: 59 FR 54678, Nov. 1, 1994. Certification Program Final Rule expected in 1996. These documents are available on EPA's TTNBBS bulletin board. See ''For Further Information. . .,'' at the beginning of this notice.

considering a change to the grouping rules which would permit animal- and vegetable-derived biodiesel fuels to be grouped together.[6] A revised § 79.56(e)(4)(ii)(B)(2) is proposed. EPA requests comments on this potential action. Data demonstrating the qualitative and quantitative differences between biodiesel fuels from different feedstocks, including the identity and amount of contaminants, would be particularly helpful to EPA's determination of the most appropriate grouping rules for these fuels. Available data comparing the speciated emissions of these fuels would also be of interest.

Section 79.56(e)(4)(ii)(B)*(2)(ii)* of the current regulations contains generic requirements for choosing the representative to be used in testing for the health effects of biodiesel and other defined groups of oxygenating compounds. EPA is considering a requirement specific to biodiesel which would require that 100 percent biodiesel fuel be used as the biodiesel group's test representative. This would maximize the likelihood of detecting any differences in the emissions and/or toxicologic properties between conventional diesel and biodiesel fuels. Under the existing regulations, it is likely that a 20 percent biodiesel formulation will be selected as the test representative; thus, lower exposures to biodiesel emissions would occur during the testing. On the other hand, a 20 percent formulation does currently appear to be the more likely formulation to be introduced into commerce, at least in the near future. Thus, EPA requests comment on which biodiesel fuel specification (20 percent, 100 percent, or some other percentage) would be most appropriate in the context of the testing program. Comments are also requested on the practicality of each option with respect to test vehicle/engine compatibility.

VI. Synthetic Fuel Provisions

A. Background

According to §§ 79.56(e)(3)(I)(B) and (3)(ii)(B), a fuel derived from any synthetic crude source, such as shale, coal, or tar sands, is assigned to a non-baseline category. The regulation does not specify a minimum amount of synthetic component which would cause a fuel to fall into the non-baseline category. Sections 79.56(e)(4)(ii)(A)*(3)* and (ii)(B)*(3)*, for gasoline and diesel F/FAs respectively, define separate non-baseline groups for ''formulations derived from each particular non-conventional petroleum source *or process*'' (italics added for emphasis), and lists the following types of fuel formulations as examples of such groups: ''coal-derived formulations; chemically-synthesized formulations (including those using recycled chemical or petrochemical products); tar sand-derived formulations; shale-derived formulations; and other types of soil-recovered products used in formulating (fuel)''.

Since publication of these regulations, EPA has received communications and information from the affected industry (see docket items VI–D–02 and VI–D–03) claiming that synthetic fuels should be categorized as baseline rather than non-baseline products. They point out that the current regulations do not reflect the fact that finished motor vehicle fuels are rarely, if ever, refined solely from synthetic crude. Rather, when synthetic crude is used, it generally comprises a relatively small fraction (e.g., 10–15 percent) of the total crude which is refined into motor vehicle fuel. Moreover, the industry claims that such fuels, once refined, are not significantly different from conventional fuels. They are not labeled differently or stored separately from fuels derived wholly from conventional crude sources. In fact, they are commonly distributed by way of the conventional fuel pipeline system. Downstream parties may therefore buy and sell, additize, and otherwise handle fuels with some synthetic derivation, without even knowing when or if this is the case.

The F/FA registration program covers only designated motor vehicle fuels and their associated additives. It does not require the registration of crude feedstocks from which these F/FAs are made. Thus, in the case of conventional fuels, it is not the entity which takes crude oil from the ground who is responsible for fuel registration; rather, it is the entity which refines finished fuel from crude oil who is required to have that fuel registered prior to placing it in commerce.[7] Similarly, synfuel registration is not the responsibility of parties who mine (or otherwise obtain) a synthetic crude source and subject it to upgrading and purification processes prior to actual fuel refining. Only after the synthetic crude is refined (alone or as part of a synthetic/conventional crude mixture) is the product subject to registration.

Clearly, the responsibility for registering synfuel falls to those business entities (usually fuel refiners) which are the first parties along their respective production chains to introduce into commerce a designated motor vehicle fuel derived in whole or in part from a nonconventional source, and conforming to standard specifications for the designated fuel. These manufacturers are responsible for testing the synfuel products they have had registered. Thus it is incumbent on these manufacturers to take steps to determine if any of the materials from which they produce designated fuels are of synthetic origin. Under the current grouping provisions, those who manufacture synfuel derived from the same non-conventional source are able to form testing groups within the applicable (gasoline or diesel) non-baseline categories.

B. Proposed Changes

In the event that such synfuel groups are formed, the current regulations do not contain adequate guidelines for choosing synfuel group representatives. To facilitate detection of differences between a synthetic fuel and the respective conventional fuel, EPA proposes that, for any synfuel group, the representative should be a fuel derived totally from the relevant synthetic source. If production of a useable 100 percent synfuel is impractical, then the group representative could be a fuel reflecting the highest percentage of syncrude feedstock that is practical and suitable for operating the relevant engine type. Revised §§ 79.56(e)(4)(ii)(A)(3)(ii) and (B)(3)(ii) are proposed. Alternatively, the synfuel group representative could be specified as a fuel reflecting the highest percentage of synthetic crude which is actually input to any member refinery's crude distillation unit(s). The test fuel would otherwise be required to conform to the additization requirements and any other relevant base fuel specifications in § 79.55. Comments on these proposals for selecting synfuel group representatives are requested.

EPA also requests comments on some potential changes to the synfuel grouping rules themselves. First, EPA proposes to delete the phrase ''..or process'' from §§ 79.56(e)(4)(ii)(A)*(3)* and (ii)(B)*(3)* of the registration regulations. The inclusion in these sections of non-conventional *processes* in addition to non-conventional *sources*

[6] It is important to note that, notwithstanding any grouping arrangements permitted under the program's grouping rules, EPA retains the authority in § 79.54(a) to require Tier 3 testing either on an individual or group basis, and to require different representative(s) of a group to be tested than may have been tested at the Tier 1 and/or Tier 2 level. Thus, even if the regulations were to be changed to allow biodiesel fuels to group together, EPA would not be precluded from requiring vegetable-derived and animal-derived biodiesel fuels to undergo separate Tier 3 testing.

[7] Of course, this distinction is moot if the two activities are accomplished by the same business entity.

as delineaters of non-conventional fuels is potentially misleading. For example, the current language can be interpreted as meaning that heavy, but otherwise conventional crude feedstocks should be considered non-conventional (and therefore non-baseline) because they need slight modification prior to sale and transport. The proposed changes at §§ 79.56(e)(3)(I)(B) and (3)(ii)(B) to delete the phases ''heavy oil deposits'' would narrow these provisions so that they focus on fuels of greater concern to EPA, i.e., fuels derived from non-conventional sources, not from mechanical or chemical production processes on otherwise conventional feedstocks. Comments are requested on this proposed revision.

In developing the current regulations, EPA sought to segregate non-conventional fuels into separate non-baseline groups because of concerns that they were likely to contain unknown contaminants and relatively high levels of trace or background elements. However, limited published information and other data received from the industry suggest that, after processing, some mined syncrude feedstocks may not be significantly different from more conventional crudes.

Because they must be compatible with conventional refinery processes and must be fungible with conventional fuels, synthetic crudes are reportedly subjected to extensive upgrading to remove heavy residual oils (''tank bottoms''), sulfur, inorganic elements, organo-metallic compounds, and clays prior to shipping to refineries. In preparing its product for sale, the syncrude manufacturer typically subjects the mined material to de-salting and coking processes (to remove metal contaminants) and atmospheric and vacuum distillations (to remove tank bottoms and asphaltic residues). Limited product assay results provided to EPA (docket item VI–D–02) indicate that syncrude feedstocks may be lower than typical petroleum crudes in vanadium, nickel, and iron. The industry monitors these characteristics because several catalytic refinery processes are intolerant of metallic contaminants.

For these reasons, EPA is considering options that would further ease or, possibly, remove some of the current provisions which distinguish some fuels derived from synthetic sources from conventional petroleum fuels. Substantive comments and additional data are needed to help EPA decide whether any of these additional options should be adopted and, if so, to which crude sources they should apply (i.e., some or all mined crude sources, other petrochemical crude sources, or all types of crude feedstocks).

One alternative provision under consideration would permit a synfuel manufacturer (or group) to submit the results of a thorough chemical analysis of the raw synfuel in conjunction with the Tier 1 emission characterization data. This special analysis would emphasize the identification of elevated levels of trace elements or compounds as compared with the base fuel for the respective fuel family. The data would need to include sufficient numbers of fuel samples to be viewed as a valid sampling of the range of the particular crude feedstock and, likewise, would need to cover a broad range of measurable feedstock characteristics. Based on the special Tier 1 analysis, EPA would determine, on a case-by-case basis, whether the synfuel in question should be permitted to join the baseline group for purposes of Tier 2, or whether the synfuel would continue to be categorized as non-baseline.

Another possibility under consideration would simply delete some or all synthetic crude sources from the list of non-conventional sources. This would mean that fuels from these feedstocks would be classified as baseline products. This choice would recognize that it is in the vital interest of the fuels industry to continue to monitor the quality of the synfuels that are transported in the existing pipeline systems. The demands of fungibility would thus be assumed to maintain the quality and similarity of syncrude products on a par with that of more conventional F/FAs.

Comments are requested on these possible provisions. To the degree that such comments are substantive and provide objective data supporting these alternative provisions, EPA may be more persuaded that its original concerns about synfuel composition may have been exaggerated. Comments are also requested on whether shale-derived synfuels should continue to be categorized as non-baseline, even if fuels from other mined sources (coal, tar sands) are re-categorized as baseline.

C. Other Alternatives

Under a different approach, the grouping system's current definition of synthetic fuels would be retained, but a particular manufacturer's synfuel product would be categorized as baseline or non-baseline depending on the proportion of synthetic crude represented in the finished product. As mentioned earlier, the current F/FA regulations do not establish a minimum amount of synthetic crude feedstock which causes a fuel to be categorized as non-baseline. Given the variability in syncrude proportion and the apparent fungibility of many synfuel products with conventional fuels, such a minimum would appear to be appropriate. Under this approach, for example, EPA could specify that a synfuel product will be considered non-baseline only if more than 15 percent by volume of the crude unit charge (i.e., the input to a refinery's crude distillation unit(s)) is composed of synthetic crude or mixed synthetic-conventional crude feedstock.[8] The choice of 15 percent as the cutoff volume would mean that most of the synfuels produced today would be classified as baseline. Since their manufacturers could thus join the respective baseline group(s), it is likely that some types of synfuel would not routinely undergo testing.[9] In practice, any cutoff point adopted in the regulations would probably function as a cap on the syncrude proportion used by synfuel manufacturers.

As a variation on this approach, different baseline/non-baseline cutoff points could be established for different kinds of synfuels. Under this variation, fuels containing more than 15 percent content derived from mined sources (e.g., coal, shale, and tar sands) would be considered non-baseline, while fuels containing more than 2 percent content derived from other petrochemical sources (e.g., used motor oils, recovered chemical spills, recycled plastics, and industrial waste streams) would be considered non-baseline. Other cutoff points might also be appropriate.

EPA requests comment as to the appropriateness of using 15 percent of crude unit charge as the cutoff point for all syncrude feedstocks in determining whether a fuel belongs in a non-baseline group. Comments are also requested on the alternative approach of setting different cutoff points for different types of synfuel. Suggestions for other cutoff points than the ones discussed above, with support and justification for such suggestions, are welcome. In addition, EPA requests information on the amount of syncrude typically represented in synfuels as they leave the refinery, as well as the usual maximum amount of syncrude used in such fuels today. Information is also sought on any differences in these formulation

[8] This statement assumes there are no other conditions (e.g., high oxygen content) that would cause the fuel to be non-baseline.

[9] However, under the Tier 3 provisions of the F/FA registration regulations, EPA could still require any emission speciation and/or health effects testing it deems necessary if, at some future time, EPA finds that a synfuel or other F/FA is not well represented by the test fuel designated to represent its F/FA group.

practices which may occur as a function of the type of syncrude in question.

VII. De Minimis Provisions

A. Background

In the NPRM published April 15, 1992, EPA raised the possibility of setting *de minimis* levels for some atypical F/FAs,[10] i.e., maximum concentrations or emission rates for atypical elements below which the manufacturers of F/FAs containing such elements would be excused from some or all of the testing requirements for the product. EPA recognized that the extra emission testing requirements proposed for atypical F/FAs and the relatively scarce grouping opportunities among such products could subject manufacturers of atypical F/FAs to considerably higher registration costs than other manufacturers. *De minimis* provisions were discussed as a possible way to reduce these burdens when atypical F/FAs could reasonably be anticipated to have no adverse effects on the public health or the environment (i.e., having no incremental effects relative to the effects of the associated base fuel). The proposed *de minimis* provision would be limited to specific atypical elements which were generally regarded as not producing overt toxicological effects when inhaled *and* were present in the product and its emissions in very low quantities.

When the F/FA test rule was promulgated in May 1994, however, these special *de minimis* provisions were not finalized. EPA noted that very little speciated chemical compound information was available on atypical F/FAs or their emission products, from which possible atypical F/FA candidates and *de minimis* levels could be identified. Likewise, little data existed regarding the potential toxicities, exposures, or health risks associated with atypical F/FAs or their emissions. Finally, there was a concern that, in promulgating *de minimis* levels for atypical elements, EPA's actions would be misinterpreted as setting ''safe'' levels for exposure to various atypical compounds when, in fact, very few applicable, reliable health and safety exposure standards exist for any of the substances of concern.

However, the practical effect of not promulgating *de minimis* levels for some atypical F/FAs has been to subject all atypical F/FAs to the same level of scrutiny, even though the overall level of concern about their potential health effects may be markedly different. Thus, under the existing regulations, manufacturers of F/FAs containing such unlike elements as, say, mercury and sodium each have to comply with the same detailed emissions characterization and health effects testing requirements under the same set of conservative assumptions.

In an attempt to improve this outcome, EPA is thus again proposing a *de minimis* provision. This proposed provision, described in the next section, differs somewhat from the previous *de minimis* proposal; however, it does not solve all of the original objections. Reliable quantitative data on the toxicity of most atypical F/FAs and their emission products is still lacking. Nevertheless, the proposal described below is conservative in approach and applicability, and EPA believes it to be a reasonable and prudent alternative to the current program, which allows for no distinctions to be made based on the anticipated health effects and exposures associated with substances which, in fact, vary greatly in chemical composition and rate of usage.

EPA wishes to emphasize once again that, in proposing de minimis provisions for certain atypical F/FAs, the Agency is *not* setting a safety level for these F/FAs or their emissions that is meaningful or valid outside a very limited context. The proposal recognizes that a relatively lower level of overall health-related concern exists for some of the atypical elements used in F/FAs, especially under limited exposure conditions at very low concentrations.[11] The relatively low production volumes of most atypical F/FAs means that the population at large would potentially be exposed to exceedingly small amounts of the elements for which EPA is proposing to set *de minimis* levels, particularly after they undergo combustion in motor vehicle engines and the emissions are diluted in air. In combination, these factors make it extremely unlikely that the proposed *de minimis* provisions could result in adverse public health or welfare outcomes. Nevertheless, should such concerns arise in the future, the proposed *de minimis* provisions would in no way limit EPA's flexibility under its Tier 3 testing authority to require additional emission characterization and/or toxicologic testing of any affected F/FA, and to take any follow-up regulatory action warranted by the results.

B. Proposed Provisions

1. Selection of Elements

A number of atypical elements are reported by their manufacturers to be components of one or more F/FAs occurring on EPA's F/FA registration database.[12] EPA is today proposing *de minimis* provisions applicable to the following nine atypical elements:
Aluminum (Al)
Boron (B)
Calcium (Ca)
Sodium (Na)
Zinc (Zn)
Magnesium (Mg)
Phosphorus (P)
Potassium (K)
Iron (Fe)

These nine elements were selected by evaluating a number of factors. First, any element (alone or in compound form) known or believed to have significant inhalation-related health effects or to be a precursor to emission species of particular concern was eliminated as a candidate for the *de minimis* provision. For example, elements in the halogen family were eliminated because of their occurrence in toxic chemical species (e.g., halogenated methane compounds) and/or their potential role in forming dioxin and dioxin-like compounds. Other examples include manganese, mercury, tin, and lead, which were eliminated from consideration because of their neurologic effects, and cobalt, platinum, silicon, and antimony, which were eliminated because of concerns about their potential respiratory effects in some chemical forms.

EPA also examined any existing exposure assessment values which may exist for the atypical elements (or compounds containing them), including industrial exposure guidelines such as Threshold Limit Value (TLV), Permissible Exposure Limit (PEL),

[10] In the gasoline and diesel fuel families, an atypical F/FA is one which contains one or more elements other than carbon, hydrogen, oxygen, nitrogen, and/or sulfur.

[11] However, recent studies suggest that pulmonary injury may be caused by inhalation exposure to substances generally regarded as biologically inactive, if the exposure to such substances is in the form of ''ultrafine'' particles (less than 20nm). See, for example, Oberdörster, G., et al., ''Role of the Alveolar Macrophage in Lung Injury: Studies with Ultrafine Particles,'' *Environmental Health Perspectives*, 97: 193–199, 1992. While testing to detect the potential occurrence of ultrafine particles of atypical elements in F/FA combustion emissions is outside the scope of Tiers 1 and 2, such testing could be required under Tier 3 if deemed necessary by EPA. EPA's authority to require such testing would not be affected by any *de minimis* provision for which a fuel or additive might otherwise qualify.

[12] These elements occur on EPA's F/FA registration database as constituents of some diesel F/FAs, or in aftermarket gasoline additives which were ''grandfathered'' when restrictions on such atypical elements were implemented. These ''grandfathering'' provisions were previously reviewed in the NPRM and Reopening Notices for the F/FA Registration rulemaking (see 57 FR 13168 and 59 FR 8886).

Recommended Exposure Limit (REL), and Health Effects Assessment Summary Table (HEAST) values. Recognizing that none of these values is specifically intended for use in estimating the toxic potential of long-term continuous exposures to the general population, EPA looked at them only as general, relative indicators of potential toxicity, to be viewed in conjunction with each other and subject to conservatively-applied scientific judgment. In this way, EPA divided the atypical elements into two groups. For one group, containing the nine elements listed above, it appeared that limited exposures to ambient concentrations of at least 0.1 milligrams of the elements per cubic meter of air (mg/m^3) could occur without raising appreciable concerns. For all the remaining atypical elements, specific public health and/or welfare effects issues were identified and/or the exposure assessment values generally indicated that health-related concerns may arise at exposure levels considerably lower than 0.1 mg/m^3. EPA decided that *de minimis* provisions would therefore not be proposed to apply to any of the elements in the latter group.

EPA requests comments on the appropriateness of establishing a *de minimis* provision for atypical F/FAs, given the acknowledged lack of reliable quantitative toxicity data for most of the substances concerned. Specific comments are also requested on the approach described above for differentiating between high- and low-concern atypical elements, and on the nine elements proposed as candidates for the potential *de minimis* provision. Should some of these nine elements be deleted from the list?

2. *de minimis* Level

The *de minimis* provision could theoretically be structured to apply either to (1) the amount of an atypical element in the ''raw'' state (i.e., in the uncombusted fuel/additive mixture), or (2) the amount occurring in the combustion emissions. While the emissions approach might appear to provide a more direct measurement of the substances of concern, EPA believes that, in this instance, the raw mixture approach provides a simpler and ultimately more effective mechanism for manufacturers to apply and for EPA to evaluate and enforce. Basing the *de minimis* provision on the concentration of atypical elements in the raw state avoids a number of complicated issues that would arise if the provision were based on measurement of atypical elements in the emissions, e.g.: (1) How much accumulated mileage would be required before generating, sampling, and analyzing the emissions for possible *de minimis* qualification; (2) how many samples would be needed; (3) once sampled, what kinds of emissions analyses would be required; (4) how accurate and sensitive would the detection equipment have to be; and (5) how EPA could efficiently confirm the results?

As discussed above, for the group of nine candidate elements, it appears that ambient air concentrations of at least 0.1 mg/m^3 (100 μg/m^3) could occur for limited exposures without raising significant concerns. The concentration of a particular elemental constituent of a fuel/additive mixture which, after combustion in an engine, would yield a given concentration of the element in air depends on a number of factors and relationships, e.g., the chemical characteristics of the element and its host compound(s), the nature of the base fuel, engine type, and driving cycle involved, the scale and complexity of the ambient environment, etc. Thus, corresponding fuel and air concentrations cannot be calculated with precision. However, based on a series of approximations and conservative assumptions, EPA estimates that a concentration of 25 parts per million (ppm) of atypical element(s) in a base fuel (i.e., 0.0025 percent by weight)[13] should generally yield a concentration in air of less than 0.1 mg/m^3, even under the theoretical assumption that the characteristics of the ambient air are a direct function of the combustion emissions of a single vehicle operating on the atypical F/FA mixture.[14]

Thus, EPA is today proposing a de minimis provision based on a qualifying level of 25 ppm in base fuel, disregarding trace amounts of these elements which may exist in the unadditized base fuel. Specifically, if an atypical additive contains no atypical elements other than Al, B, Ca, Fe, Mg, P, K, Na, and/or Zn, and if the total of these elements added to base fuel does not exceed 25 ppm by weight when the additive is mixed into the applicable base fuel at the highest treatment rate recommended by the additive manufacturer, then the additive (and F/FA mixture) would qualify for the de minimis provision. Comments on this general approach and on the proposed de minimis level are requested. The special allowances for which such F/FAs would qualify are described in the next section.

3. Allowances for Qualifying F/FAs

EPA proposes that manufacturers of atypical F/FAs which qualify for the de minimis provision, under the criteria specified above, would be excused from the testing requirements included in Tier 2 (§ 79.53). This is the same allowance provided by the existing regulation (§ 79.58(d)(3)) for atypical F/FAs produced by small manufacturers (i.e., those with less than $10 million in annual revenue). The de minimis provision would not excuse manufacturers from the Tier 1 emission characterization requirements that pertain specifically to atypical F/FAs, i.e., the identification and measurement of individual emission products containing the atypical elements (§ 79.52(b)(2)(iv) and, if applicable, § 79.52(b)(3)(iv)). Notwithstanding the de minimis provision nor any other special provisions for which a F/FA may qualify, the provisions of Tier 3 permit EPA to require any additional testing at its discretion, including testing which might have been required in the absence of the special provision.

Comments on this proposal to excuse qualifying F/FAs from Tier 2 requirements are requested. See the proposed regulatory language at § 79.58(f). Comments are also requested on the scope and specific details of the proposed de minimis provision in general. Any suggestions for easing the provision (i.e., adding elements or increasing the de minimis level) should be accompanied by data to justify such a change. This proposal is deliberately based on conservative assumptions and, EPA requests that commenters provide solid supporting data to justify any suggested changes which would widen the applicability of the proposed provision. EPA is unlikely to adopt any such suggestions from commenters without such data.

VIII. Minor Changes to the Testing Requirement for Registration

Minor changes to the testing requirements are proposed. In the final rules section of this Federal Register, these changes are being promulgated as a direct final rule without prior proposal, because they are viewed as noncontroversial and no adverse comments are anticipated. A detailed rationale for these proposed changes is set forth in the direct final rule. If an adverse comment on request for hearing is not received in response to the direct final rule, no further activity is contemplated in relation to this

[13] These measurements refer to the specified elements themselves, not to the weights of the compounds in which these elements may be bound.

[14] Specifically, the very conservative assumption is made that the ambient air consists of fully-passed-through emissions of the atypical element(s) diluted by a factor of 1 to 2,000.

proposed rule. If an adverse comment or hearing request is received, the portion of the direct final rule at issue will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on these minor changes. Any parties interested in commenting should do so at this time.

IX. Tier 1 Exposure Analysis

Section 79.52(c) requires a manufacturer, using annual and projected production volume, marketing, and distribution data (already required to submitted as a condition for registration), to provide a qualitative discussion of the potential public health exposures to the emission products of its fuels and/or additives. Upon review, EPA has concluded that this qualitative discussion will add little relevant information beyond the registration data. Therefore, it is proposed to delete § 79.52(c) and modify introductory paragraph 79.52(a) accordingly.

X. Environmental and Economic Impacts

The environmental impacts of today's action are minimal, as discussed above. Additionally, economic impacts are beneficial to affected manufacturers due to the additional flexibility afforded in today's notice. Minimal anti-competitive effects are expected. A regulatory support document which presents EPA's analysis of the cost impacts of the May 1994 rule is available in Public Docket A–90–07 located at Room M–1500, Waterside Mall (ground floor), U.S. Environmental Protection Agency, 401 M St. S.W., Washington, D.C. 20460.

XI. Regulatory Flexibility Analysis

EPA has determined that it is not necessary to prepare a regulatory flexibility analysis in connection with this rule. This rule will reduce regulatory burdens on small businesses by reducing or eliminating the reporting and testing requirements for many small businesses. EPA has determined that this rule will not have a significant adverse economic impact on a substantial number of small businesses.

XII. Administrative Designation

Pursuant to Executive Order 12866 (58 FR 51735 [October 4, 1993]), the Agency must determine whether a regulatory action is ''significant'' and therefore subject to OMB review and the requirements of the executive order. The order defines ''significant regulatory actions as one that is likely to result in a rule that may:

(1) Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local or tribal governments or communities;

(2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impact of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

Pursuant to the terms of Executive Order 12866, it has been determined that this notice is proposal rulemaking is not a ''significant regulatory action''. The proposals in this notice will decrease the number of parties to which these regulations apply and will reduce the requirements and costs of other parties subject to the regulations.

XIII. Paperwork Reduction Act

The Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, and implementing regulations, 5 CFR Part 1320, do not apply to this action as it does not involve the collection of information as defined therein.

XIV. Unfunded Mandates Act

Under section 202 of the Unfunded Mandates Reform Act of 1995 (''Unfunded Mandates Act''), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in expenditure by State, local, and tribal governments, in the aggregate; or by the private sector, of $100 million or more. Under Section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the action promulgated today does not include a federal mandate that may result in estimated costs of $100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This proposed action does not establish regulatory requirements that may significantly or uniquely affect small governments. In fact, this proposed action has the net effect of reducing the burden of the fuel and fuel additive registration program on regulated entities. Therefore, the requirements of the Unfunded Mandates Act do not apply to this action.

XV. Statutory Authority

The statutory authority for this proposed rule is provided by sections 205 (b) and (c), 211, and 301(a) of the Clean Air Act as amended (42 U.S.C. 7524 (b) and (c), 7545, and 7601(a), Public Law 95–95).

List of Subjects in 40 CFR Part 79

Environmental protection, Fuel, Fuel additive, Gasoline, Motor vehicle pollution, Penalties.

Dated: June 27, 1996.

Carol M. Browner,

Administrator.

[FR Doc. 96–17550 Filed 7–10–96; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Parts 10 and 15

[CGD 94–055]

RIN 2115–AF23

Licensing and Manning for Officers of Towing Vessels; Corrections

AGENCY: Coast Guard, DOT.

ACTION: Corrections to notice of proposed rulemaking.

SUMMARY: This document contains corrections to the notice of proposed rulemaking (NPRM) in CGD 94–055, published on Wednesday, June 19, 1996, at 61 FR 31332. The rulemaking relates to licensing and manning for officers of towing vessels.

DATE: These corrections are made on July 11, 1996.

FOR FURTHER INFORMATION CONTACT: Lieutenant Commander Don Darcy, Operating and Environmental Standards Division, (202) 267–0221.

SUPPLEMENTARY INFORMATION: The NPRM that is the subject of these corrections proposes a major restructuring of the licensing scheme for officers of towing vessels.

Need for Corrections

As published, the NPRM contains typographical errors and omissions that may prove to be misleading and that therefore need corrections.